

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3195-03
Bill No.: SB 797
Subject: Attorneys; County Officials
Type: Original
Date: February 15, 2010

Bill Summary: The proposal provides for the prosecuting attorney system in Missouri to be converted to a district attorney system.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration – Administrative Hearing Commission, – Division of Budget and Planning, Missouri State Employees’ Retirement System, Office of the Secretary of State, Office of the State Treasurer, and the County Employees’ Retirement Fund** assume the proposal would have no fiscal impact on their agencies.

Officials from the **Office of State Courts Administrator** assume the proposed legislation would have no fiscal impact on the courts.

Officials from the **Joint Committee on Public Employee Retirement (JCPER)** assume the proposed legislation is a “substantial proposed change” in future plan benefits as defined in Section 105.660(10). Therefore, an actuarial cost statement as defined in Section 105.665 must be provided prior to final action on this legislation by either legislative body or committee thereof.

Pursuant to Section 105.670, this actuarial cost statement must be filed with 1) the Chief Clerk of the Missouri House of Representatives, 2) the Secretary of the Senate and 3) the Joint Committee on Public Employee Retirement as public information for at least five (5) legislative days before final passage of the bill.

JCPER included a Pension Impact Statement. An actuarial cost statement for this legislation has not been filed with the JCPER. It would be impossible to accurately determine the fiscal impact of this proposed legislation without the actuarial cost statement prepared in accordance with Section 105.665, RSMo.

Officials from the **Local Government Employees Retirement System (LAGERS)** assume the bill could result in a retirement cost savings to counties that participate in LAGERS (60) and change from a prosecuting attorney to a district attorney. Section 70.600(8), RSMo, defines “compensation” as “the remuneration paid an employee by a political subdivision or by an elected fee official of the political subdivision for personal services. . .” Since proposed Section 56.900.4, RSMo, states the district attorney’s annual salary is paid by the state, rather than the political subdivision, the employee would have no compensation reportable to LAGERS under Section 70.600(8) and, therefore, would accrue no benefits.

ASSUMPTION (continued)

LAGERS assume it is impossible to calculate a cost savings without knowledge of the specific counties electing a district attorney and, therefore, correlating the applicable contribution rate to each prosecuting attorney that would be replaced by a district attorney.

Officials from **Cass County** assumes the proposal will impact the county budget. Cass County assumes there will be some costs to this change that could be a burden to the county. Cass County assumes the impact could be a minimum \$100,000 to Unknown.

Officials from **Platte County** estimated that the proposal would positively impact the Platte County General Revenue by a range of \$60,000 to \$600,000 annually using the 2010 budget and valuing the impact in today's dollars.

Oversight assumes, beginning January 1, 2015, the state would incur costs of \$0 up to (\$5,421,780) per year for the salaries of the district attorneys, depending upon the number of counties choosing to participate in the state district attorney system. This is based on the 2010 annual salary of a circuit judge of \$120,484, for 45 circuits. Oversight notes judicial circuits consisting of a single county with a charter form of government may choose to provide additional compensation for the district attorney, which would be paid out of the county treasury.

Oversight assumes, beginning January 1, 2015, the state would also incur unknown costs of reimbursing counties for a percentage of the district attorney office budget in judicial circuits consisting of one county that have elected to participate in the district attorney system.

Oversight assumes counties would experience an Unknown savings due to the state being responsible for district attorney salaries and a percentage of the office budget.

Oversight notes the fiscal note reflects no fiscal impact, as the January 1, 2015, commencement date is beyond the scope of the fiscal note.

Officials from the Office of Prosecution Services, Prosecuting Attorneys' and Circuit Attorneys' Retirement System and Various Counties did not respond to Oversight's request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact for fiscal years 2011, 2012, and 2013. However, the proposal could have a fiscal impact beginning January 1, 2015, which is in fiscal year 2015.

District attorneys shall be elected during the 2014 general election in each judicial circuit for counties that elect to be part of the system. District attorneys shall receive the same annual salary as the circuit judge. The salary of the district attorney shall be paid by the state, except if a charter county chooses to provide the district attorney with additional compensation over the statutory amount, the county shall pay such amount.

The salaries, excluding that of the district attorney, and expenses of the district attorney offices shall be funded by the respective counties; however, the state shall provide increasing reimbursement of the costs over the course of several years.

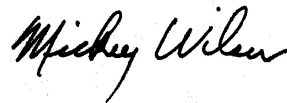
This legislation is not federally mandated, would not duplicate any other program, and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of State Courts Administrator
Office of Administration
 – Administrative Hearing Commission
 – Division of Budget and Planning
Joint Committee on Public Employee Retirement
Missouri State Employees' Retirement System
Office of the Secretary of State
Office of the State Treasurer
County Employees' Retirement Fund
Local Government Employees Retirement System
Cass County
Platte County

NOT RESPONDING

**Office of Prosecution Services
Prosecuting Attorneys' and Circuit Attorneys' Retirement System
Various Counties**



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Director
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